



**MARULENG LOCAL MUNICIPALITY**

**TENDER NO: MLM/SCM/26/2020**

**BID DESCRIPTION: FENCING OF SCORTIA GRAVEYARD- (RE ADVERT)**

**JUNE 2021**

**ISSUED BY:**

**SUPPLY CHAIN MANAGEMENT OFFICE**

**MARULENG MUNICIPALITY**

**P O BOX 627**

**HOEDSPRUIT**

**1380**

**MUNICIPAL MANAGER**

**MAGABANE TG**

<b>NAME OF TENDERER</b>	
<b>ADDRESS</b>	
<b>TELEPHONE NUMBER</b>	
<b>CSD NUMBER</b>	
<b>TOTAL BID PRICE</b>	

INDEX		
Part	Description	Page
1.	Details of bidder	3
2.	Advert	4
3.	Form of tender and declaration	5
4.	Contract Form	6-7
5.	Specification	8
6.	Price Schedule	9 -11
7.	Bid Evaluation Criteria	12 -16
8.	Conditions of tender	17 -18
9.	General Conditions of Contract	19 - 29
10	Preference point system claim form	30-34
11	Declaration of Local Production and Content for Designated Sectors	35 -45
12	Declaration of interest for Procurement	46
13	Declaration of interest for State Employees	47 -49
14	Declaration of bidder's past supply chain management practices	50 -51
15	Certificate of independent bid determination	52-54
16	Track record of tendering entity	55
17	Authority to sign the bid document	56
18	Tax Clearance	57
19	Company Registration Certificate	58
20	BBBEE Status Level Verification Certificate	59
21	Proof of Recent central supplies database	60
22	Proof of CIDB registration	61
23	Proof of payment municipal rates and taxes (Company & Directors)	62

**PLEASE NOTE:**

- Each page of the tender document and schedules thereto must be initialed by the relevant authorized person in order for the document to constitute a proper contract between the Municipality and the Tenderer.
- On acceptance of the tender by the Municipality, the forms and schedules attached hereto shall be deemed to be the Conditions of Contract between the parties.
- Failure to complete all blank spaces in the forms and to attend to the other details mentioned therein may render the tender liable to rejection.

**(1) DETAILS OF BIDDER**

FULL NAMES	
COMPANY/ENTERPRISE REGISTRATION NO. OR ID NO.	
POSTAL ADDRESS	
PHYSICAL ADDRESS	
TELEPHONE NO.	
CELL NO. OF CONTACT PERSON	
FAX NO.	
E-MAIL ADDRESS	
CONTACT PERSON	
VAT REGISTRATION NO.	

## (2) ADVERT



PROJECT NAME	PROJECT NUMBER	REQUIRED SERVICES	COMPULSORY INSPECTION MEETING	TENDER DOCUMENT PRICE	TENDER CLOSING DATE
FENCING OF SCORTIA GRAVEYARD (RE-ADVERT)	MLM/SCM/26/2020	Contractors registered with CIDB having grading of SQ1 / 1 CEPE	No briefing session will be held due to Covid -19	R500.00	05 August 2021 (11h00)

Tenders are hereby invited from contractors and professional services providers (consulting engineers/project managers) for the above mentioned projects.

Tender documents will be available at Maruleng Municipality Office, Hoedspruit 64, Springbok Street as well as on Maruleng Municipality website. The tender documents are obtainable from Finance (Cashier Point) during the following times 08h00 to 16h00 (Monday to Friday) upon receipt of non-refundable cash or bank deposit of R500.00 per set. Whether the tender document is downloaded or issued R500.00 payment for the set would be required.

Maruleng Local Municipality is not compelled to accept the lowest or any tender. No late, faxed or telephonic tenders will be accepted. Professional Service providers should submit BBEE status level certificate. Tenders will be adjudicated in accordance with the Preferential Procurement Policy Framework Act, 5/2000 and preferential procurement regulation of 2011 and prospective Tenders must accept that the tenders must accept that the tender will be adjudicated according to the said legislation. Tenders will remain valid for ninety (90) days from the closing date.

### Bids will be evaluated based on the following criteria for Functionality

Criteria	Applicable values/points	Weight									
<b>Understanding of Scope of Work</b>	The Bidder must complete Bill of Quantity according to the specification.	40									
<b>METHODOLOGY</b> Bidder are expected to make a detailed proposal with programme of works and time frame for the execution of work	<table border="1"><tr><td>POOR</td><td>Uncertain proposal</td><td>10</td></tr><tr><td>FAIR</td><td>Reasonable proposal</td><td>20</td></tr><tr><td>GOOD</td><td>Perfect i.e. Having attached all that is required</td><td>40</td></tr></table>	POOR	Uncertain proposal	10	FAIR	Reasonable proposal	20	GOOD	Perfect i.e. Having attached all that is required	40	40
POOR	Uncertain proposal	10									
FAIR	Reasonable proposal	20									
GOOD	Perfect i.e. Having attached all that is required	40									
<b>CAPACITY TO DELIVER</b>	<table border="1"><tr><td colspan="2">-Availability of Resources (Delivery Vehicle)</td></tr><tr><td>Attach Proof of Ownership or Lease of Delivery Vehicle (e.g Certificate of the Vehicle. NB: If leased also attach Letter for intent to lease Plus Owner Certificate of Vehicle).</td><td>20</td></tr><tr><td>No Proof Ownership of Delivery Vehicle</td><td>0</td></tr></table>	-Availability of Resources (Delivery Vehicle)		Attach Proof of Ownership or Lease of Delivery Vehicle (e.g Certificate of the Vehicle. NB: If leased also attach Letter for intent to lease Plus Owner Certificate of Vehicle).	20	No Proof Ownership of Delivery Vehicle	0	20			
-Availability of Resources (Delivery Vehicle)											
Attach Proof of Ownership or Lease of Delivery Vehicle (e.g Certificate of the Vehicle. NB: If leased also attach Letter for intent to lease Plus Owner Certificate of Vehicle).	20										
No Proof Ownership of Delivery Vehicle	0										

**NB: The minimum qualifying score required for functionality is 60% to be further evaluated in terms of the 80/20 preference point systems prescribed in the Preferential Procurement Policy Framework Act, 5/2000 and preferential procurement regulations of 2017.**

Enquiries related to this tender must be addressed to Mr. Letsoalo NA (Technical Services Department) Mr. Mohlabe KL (Supply Chain Management) of Maruleng Local Municipality at Tel: (015) 793 2409.

**MAGABANE TG  
MUNICIPAL MANAGER**

**(3) FORM OF TENDER AND DECLARATION**

DECLARATION:

To: The Municipal Manager  
MARULENG MUNICIPALITY  
PO BOX 627  
HOEDSPRUIT  
1380

Sir

I/We, the undersigned:

- a) Tender to supply to Maruleng Municipality all of the services described both in this and the other forms and schedules to this tender.
- b) Agree that we will be bound by the specifications, prices, terms, conditions and proposals stipulated in the schedules attached to this tender document, regarding delivery and execution.
- c) Confirm that this tender may only be accepted by the MARULENG Municipality by way of a duly authorized Letter of Acceptance.
- d) Declare that we are fully acquainted with the schedules and the contents thereof and that we have signed the schedules, attached hereto
- f) Declare that, each page of the tender document and amendments thereto will be initialed by the relevant authorized person in order for the document to constitute a proper contract between the Maruleng Municipality and the undersigned, on acceptance of the tender by Maruleng Municipality.

Signed at ..... on this ..... day of ..... 2021

Signature of Tenderer .....

Name of Tenderer .....

As Witnesses:

- 1. Signature .....
- 2. Name in full .....
- I.D. No .....

- 2. Signature..... Name in full .....
- I.D. No .....

Where the Tenderer is a Company, Corporation or Firm a duly authorized resolution must accompany the tender



**(4) CONTRACT FORM**

**SECTION 1 (TO BE FILLED IN BY THE BIDDER)**

Tender amount \_\_\_\_\_ tender number \_\_\_\_\_

Company/Entity Registered Name: \_\_\_\_\_

Registration Number: \_\_\_\_\_

**AND WHO IS** represented herein by: (full names of signatory) \_\_\_\_\_

duly authorised to act on behalf of the Tender in his capacity as:(title) \_\_\_\_\_

**HEREBY AGREES THAT** by signing the Contract Form, the Bidder:

1. Confirms that it has examined the documents listed in the Index and has accepted all the Conditions of Tender;
2. Confirms that it has satisfied itself as to the correctness and validity of the tender; that the price(s) and rate(s) quoted cover all the goods and/or services specified in the tender documents; that the price(s) and rate(s) cover all its obligations and accepts that any mistakes regarding price(s), rate(s) and calculations will be at its own risk;
3. Offers to supply all or any of the goods and/or render all or any of the services described in the tender document to Maruleng Municipality in accordance with the:
  - 3.1 Terms and conditions stipulated in this tender document;
  - 3.2 Specifications stipulated in this tender document; and
  - 3.3 At the price reflected in the tender document
4. Agrees that the following documents shall form the Contract between the parties in the event that the Tenderer is successful:
  - 4.1 Price Schedule
  - 4.2 Specification
  - 4.3 All Declarations
  - 4.4 General Conditions of Contract; and
5. Accepts full responsibility for the proper execution and fulfillment of all obligations and conditions devolving on it in terms of this Contract.

SIGNED AT \_\_\_\_\_ ON THIS THE \_\_\_\_\_ DAY OF

\_\_\_\_\_ 20\_\_\_\_\_

\_\_\_\_\_  
Signature(s)

\_\_\_\_\_  
Print name(s):  
On behalf of the Bidder (duly authorised)

**WITNESSES**

1 .....  
.....

2. ....  
.....

DATE:.....



**SECTION 2 (TO BE FILLED IN BY MARULENG MUNICIPALITY)**

By signing this *Contract Form* Maruleng Municipality (also referred to as the 'Purchaser'):

1. Accepts your bid under reference number **MLM/SCM/26/2020** awarded on the \_\_\_\_\_ for the **Fencing of SCORTIA Graveyards**.
2. Undertakes to make payment for the goods/services delivered in accordance with the terms and conditions of the contract, within 30 (thirty) days after receipt of an invoice accompanied by the delivery note.

ITEM NO.	PRICE (VAT INCL)	Quantity	BRAND	DELIVERY PERIOD	POINTS CLAIMED FOR B-BBEE

SIGNED AT \_\_\_\_\_ ON THIS THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
Signature(s)

\_\_\_\_\_  
Print name(s):  
(Municipal Manager)

\_\_\_\_\_  
Date

<p><b>WITNESSES</b></p> <p>1. ....</p> <p>2. ....</p> <p>DATE.....</p>
--



## (5) SPECIFICATION

### Specific details of deliverables of the project entails:

- Clearing of fence line
- Digging of holes and pouring concrete footings for the poles.
- Planting of posts: corner posts, stays, gates posts and standards
- Installation of barbed wire: high tensile grade, single stranded 3.15 x 2.5mm oval shaped wire
- Installation of a diamond mesh 2.5mm x 63mm x 1800mm high
- Roll steel gate 3.5m wide made of square tubings and angle irons
- Construction of 2 VIP toilets units



**(6) PRICE SCHEDULE**

**N.B: Maruleng Municipality will only accept firm prices. Non-firm prices (including prices subject to rates of exchange variations) will not be considered.**

Name of Bidder \_\_\_\_\_

Bid Number: \_\_\_\_\_

Closing Date \_\_\_\_\_

Closing Time \_\_\_\_\_

Offer to be valid for \_\_\_\_\_ days from the closing date of the bid.

Brand and Model \_\_\_\_\_

Does the offer comply with the specification(s)? YES/NO

If not to specification, indicate deviation(s) \_\_\_\_\_

Period required for delivery \_\_\_\_\_

Delivery basis Delivery: Firm/not firm

## FENCING OF SCORTIA GRAVEYARD

Item no.	Description	Unit	Qty	Rate	Amount
	<b><u>PRELIMINARY AND GENERAL</u></b>				
I	<b>Site Establishment</b>	sum	1		
	<b>Contractual requirements</b>	sum	1		
	<b>Removal of site Establishment</b>	sum	1		
	<b>OHSA Requirements</b>	sum	1		
1	<b><u>Site Clearance (FENCE LINE)</u></b>				
1.1	Clear and Grub 2.0m wide strip along the fence line	m	902		
1.2	Remove and grub large trees and tree stumps of girth				
	a. Over 1m up to and including 2m	No	6		
2	<b><u>EARTHWORKS (Small works) SABS</u></b>				
	<b><u>1200 DA</u></b>				
2.1	Excavate in all materials for posts				
	a. Up to 1m depth	m3	28		
3	<b><u>POSTS</u></b>				
3.1	Supply and install posts excl. excavation and concrete				
	a. Corner posts : 102mm dia, 2.8mm wall thickness, galvanized , 2400mm long with cap and base Plate(installed in 20m spacings)	No	46		
	b. Stays : 76mm dia 3.0mm wall thickness, galvanized, 1800mm long	No	21		
	c. Gate posts : 102mm dia. 2.8mm wall thickness, galvanized , 2400mm long with cap and base Plate	No	2		
	d. Standards: 2.5kg/m bitumen dipped Y steel section, 2400mm long Rammed 600mm into Ground at 5m spacings	No	181		

	TOTAL CARRIED FORWARD				
	TOTAL BROUGHT FORWARD				
4.1	Smooth wire 4,8mm thick and fully galvanised.	m	5412		
	a. Barbed wire: high tensile grade, single stranded 3.15 x 2.5 mm oval shaped wire, with a 2.81 mm equivalent diameter and fully galvanized.	m	0		
5	<b><u>GATES</u></b>				
5.1	Roll steel gate 3,5m wide made of square tubings and angle irons	No	1		
6	<b><u>CONCRETE FOR POSTS</u></b>				
6.1	15Mpa / 20mm Concrete backfill for posts	m3	12		
	Diamond mesh Install diamond mesh 2.5mm x 63mm x 1800mm high	m	902		
	VIP TOILETS	Number	2		
<b>Subtotal</b>					
<b>Add 10% Contigencies</b>					
<b>Subtotal</b>					
<u>Vat @ 15%</u>					
<b>Total Amount</b>					

## **(7) BID EVALUATION CRITERIA**

**This bid will be evaluated in a three (3) stages process as follows:**

- Stage 1 - Local content, (100% LCV for steel): see list of minimum and administrative compliance Threshold for Designated sectors in South Africa): Table1: Source - the DTI, 2016
- Stage 2 - Functionality
- Stage 3 - Price points & B-BBEE Scorecard

### **Stage 1 - Evaluation for Local Content**

- Only locally produced or locally manufactured fencing material and components for construction with a stipulated minimum threshold of 100% for local production and content will be considered.
- If the quantity of fencing material and components for construction required cannot be wholly sourced in South Africa based manufacturers and / or at the designated local content threshold of 100%, bidders and procuring entities should obtain written authorization from **Department of Trade and Industry** should there be a need to import, and a copy of this authorization letter must be submitted together with the bid document at the closing date and time.
- The Declaration Certificate for Local Production and Content, **MBD6.2** with **Annexure C, (Local Content Declaration: Summary Schedule)** must be completed, duly signed and submitted by the bidder at the closing date and time, failure to submit will render the bid invalid and therefore non-responsive.
- Bidders must submit a certificate from a registered auditor confirming that the Local Content Declaration Templates have been audited and certified as correct.
- Failure to indicate or achieve the stipulated minimum threshold percentage (%) for local production and content unless written exemption has been granted to the bidder by the DTI to bid at lower local content level, will automatically invalidate or disqualify the bid for further consideration.
- Failure to submit the Declaration Certificate for Local Content (**MBD 6.2**), the Annexure C (Local Content Declaration: Summary Schedule) and the registered auditors certificate will automatically invalidate or disqualify the bid.
- Bidders may contact **Metals Fabrication, Capital and Rail Transport Equipment unit** within the **Department of Trade and Industry (DTI)** at telephone **012 394 1356** or **Primary Minerals Processing and Construction Unit** at telephone **012 394 1356**.

## Stage 1 - Compliance Requirements: (Compulsory)

The supplier[s] or service provider[s] should comply and take note that:

- The tenderer is in good standing with SARS according to the Central Supplier Database.
- Tenderers must submit a CSD or tax status compliance pin.
- Bidders must submit together with their bids a copy of company registration document (CK)
  - Bidder must be registered in the national treasury Central Supplier Database (CSD) and attach CSD which is valid and not older than 3 months.
- The tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector.
- The tenderer has not:
  - i) abused the Employer's Supply Chain Management System; or
  - ii) failed to perform on any previous contract and has been given a written notice to this effect
- The tenderer has completed the Compulsory Declaration and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process;
- The tenderer has completed the Compulsory Enterprise Questionnaire and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process and persons in the employ of the state are permitted to submit tenders or participate in the contract;
- The tenderer must duly complete and sign the, **MBD 4**, **MBD 6.1** and **MBD 6.2** forms, **MBD 8** and **MBD 9**.
- Bids which are late, incomplete, unsigned or submitted by facsimile or electronically will not be accepted.
- Tenderers who are not registered for VAT are not eligible to claim VAT in their pricing;
- Tenderers should take note that price is not a determining factor to award the bid.
- Both the Bid Pricing Form and the Pricing Schedule **MUST** be fully completed by tenderers. Failure to complete these forms will render the quotation non responsive and be disqualified.
- Tenderers Particulars form **MUST** be fully completed by tenderers.
- **Local Economic Development (LED)**: 50% of expenditure spent should be in goods and services which are manufactured and supplied by SMMEs and Co-operatives from within the country including the utilization of raw materials.
- The tenderer must source building material or infrastructure input material from the Republic of South Africa.
- Tenderer must submit tax clearance certificate or pin
- Tenderer must submit rates and taxes for both the company and directors not older than three months, or letter from tribal authority confirming that the company or directors are subject to their traditional authority
- Tenderers must submit a detailed company profile
- Tenderers must submit SANAS accredited B-BBEE Certificate to claim points
- Bidders must submit certified copies of Director's not older than six months, failure to do that tender will be deemed nonresponsive.
- The Maruleng Local Municipality does not bind itself to accept the lowest or any bid and reserves the right to withdraw the bid.
- All alterations in prices/ quotes must be signed for and failure to sign will result in tender deemed non-responsive.
- Use of tipex is prohibited and the bidder will be deemed non-responsive.
- Bidders must attach proof of payments for the tender document issued or downloaded
- Furthermore, Tender offers will only be accepted if:
  - (a) the tenderer is registered on the **Central Supplier Database (CSD)** for the South African government ( see <https://secure.csd.gov.za/> ) unless it is a foreign supplier with no local registered entity

- (b) the tenderer is in good standing with SARS as verified on the Central Supplier Database;
- (c) the tenderer or any of its directors/shareholders is not listed on the Register of Tender Defaulters in terms of the Prevention and Combating of Corrupt Activities Act of 2004 as a person prohibited from doing business with the public sector;
- (d) the tenderer has not:
  - a. abused the Employer's Supply Chain Management System; or
  - b. failed to perform on any previous contract and has been given a written notice to this effect;
- the tenderer has completed the Compulsory Declaration and there are no conflicts of interest which may impact on the tenderer's ability to perform the contract in the best interests of the employer or potentially compromise the tender process;
- Prospective bidders must register on CSD prior submitting bids (open tenders). Any prospective bidder found to have Tax matters not in order with SARS (verified through CSD) during the evaluation process (after being given an opportunity to rectify tax matters) will be eliminated and not be considered further in the process.

All tenders shall be held valid for 90 days after the tender closing date. The Department reserves the right not to accept the lowest or any tender.

Electronic, telegraphic, facsimile and late tenders will not be accepted. Tenders may only be submitted on the tender documentation that has been issued, and bids which are late, incomplete, unsigned will not be accepted.

The amount reflected on the **Form of Offer and Acceptance** takes precedence over any other total amount indicated elsewhere in the bidders tender submission. If the **Form of Offer and acceptance** has no value or figure, the bidder will be regarded as having made no offer.

## Stage 2 – Functionality

Criteria	Applicable values/points		Weight
<b>Understanding of Scope of Work</b>	The Bidder must complete Bill of Quantity according to the specification.		40
<b>METHODOLOGY</b> Bidder are expected to make a detailed proposal with programme of works and time frame for the execution of work	POOR	Uncertain proposal	10
	FAIR	Reasonable proposal	20
	GOOD	Perfect i.e. Having attached all that is required	40
<b>CAPACITY TO DELIVER</b>	-Availability of Resources (Delivery Vehicle)		20
	Attach Proof of Ownership or Lease of Delivery Vehicle (e.g Certificate of the Vehicle. NB: If leased also attach Letter for intent to lease Plus Owner Certificate of Vehicle).	20	
	No Proof Ownership of Delivery Vehicle	0	

### Stage 3 - Evaluation Criteria on Price and BBEE Status Level:

The following criteria shall apply:-

- In terms of the Preferential Procurement Policy Framework Act (Act 5 of 2000) as amended and 2017 Regulations thereto and points for B-BBEE status, bids shall be evaluated on price based on the 80/20 preference point system and 2017 Regulations thereto and points for BBEE status.

#### Price:

- 80 points will be awarded to the tenderer submitting the lowest price (all other tenderers will receive points proportionately thereto):

#### Calculation of points for B-BBEE status level of contribution

- Tenderers are required to submit original and valid “**B-BBEE Status Level Verification Certificate, Sworn Affidavits in the case of Exempted Micro Enterprises [EME]**” or **certified copies** thereof together with their quotations, to substantiate their B-BBEE rating claims
- Points will be awarded to a tenderer for attaining the B-BBEE status level of contributor in accordance with the table below

B- BBEE status level of contributor	Number of points (80/20)
1	20
2	18
3	14
4	12
5	8
6	6
7	4
8	2
<b>Non- compliant contributor</b>	<b>0</b>

- **Please Note:** Tenderers who do not possess the B-BBEE status verification certificate will not qualify to claim points for B-BBEE status level of contributor as stated above, only points for price will be considered;

### **CONTRACT PRICE FUEL ADJUSTMENT ON RATES**

Rates as submitted may be adjusted once monthly under the following conditions:-

- The price indices of diesel (or unleaded petrol dependent on item on offer) stated in the indices data at closing date of the bid will be the indicator for the Initial Fuel Indice.
- Adjustment to rates offered may be made monthly in line with changes in the indices of fuel (in increments of 10cents or more) in accordance with the following formula.
- Fuel represents one third (1/3) component of bid rate:-  
Adjusted Rate = Bid Rate ± (1/3 X (Change in fuel indice\_ X Bid Rate))

Initial fuel indices

**NB: Tenders will be evaluated in terms of the 80/20 Preference Point Systems prescribed in the Preferential Procurement Policy Framework Act, 5 of 2000 and Preferential Procurement Regulations of 2017. The bidder should obtain a minimum of 60% to be considered for further evaluation.**



## (8) CONDITIONS OF TENDER

**ALL TENDER CONDITIONS AND/OR INSTRUCTIONS SET OUT BELOW MUST BE STRICTLY ADHERED TO, FAILING WHICH THIS TENDER SUBMISSION WILL BE DECLARED NON-RESPONSIVE.**

- 6.1 No tender will be considered unless submitted on Maruleng Municipality tender document.
- 6.2 Any portion of the tender document not completed will be interpreted as 'not applicable'. Notwithstanding the foregoing, failure to complete any compulsory portion of the tender document may result in the tender being declared non-responsive.
- 6.3 Tenders must be properly received and deposited, on or before the closing date and before the closing time, in the relevant tender box at No. 64 Springbok Street, Hoedspruit, Finance Department. If the tender submission is too large to fit in the allocated box, please enquire at supply chain office no 20 for assistance.
- 6.4 The municipality reserves the right to accept:
- 6.4.1 The whole tender or part of a tender or any item or part of any item, or to accept more than one tender (in the event of a number of items being offered), and municipality is not obliged to accept the lowest or any tender;
- 6.4.2 A tender which is not substantially or materially different from the tender Specification.
- 6.5 The municipality shall not consider tenders that are received after the closing date and time for such a tender.
- 6.6 The municipality will not be held responsible for any expenses incurred by Tenderers in preparing and submitting tenders.
- 6.7 The municipality may, after the closing date, request additional information or clarification of tenders in writing.
- 6.8 A Tenderer may request in writing, after the closing date, that the tender offer be withdrawn. Such withdrawal will be permitted or refused at the sole discretion of the municipality after consideration of the reasons for the withdrawal.
- 6.9 The municipality reserves the right to adjust arithmetical errors in the extension of rates and totals in the quote, and the bidder will be informed of the effect of any corrections on his quotation sum prior to the award of the contract. In no case will quoted rates be adjusted when correcting such errors.
- 6.10 Telegraphic quotations or quotations by facsimile will not be accepted for consideration except for the instance as indicated above where the employer needs to have amendments to the quotation.
- 6.11 **Resolutions and Authorities**
- A tender submitted:
- 6.11.1 by a registered company may not be considered unless accompanied by a resolution by the Directors of the company authorizing the tender to be made and the signatory to sign the tender on the company's behalf **{{(17) Authority to Sign Bid Document on page 56 to be completed}}**;
- 6.11.2 by a registered close corporation may not be considered unless accompanied by written authority from all the members of the close corporation authorizing the tender to be made and

the signatory to sign the tender on the close corporation's behalf **{(17) Authority to Sign Bid Document on page 56 to be completed}**;

6.11.3 by a partnership/consortium/joint venture may not be considered unless accompanied by written authority from all parties to the partnership/consortium/joint venture authorizing the tender to be made and the signatory to sign the tender on the partnership/consortium/joint venture's behalf.

#### **6.12 Partnerships/Consortiums/Joint Ventures**

In the case of partnerships/consortiums/joint ventures, a copy of the partnership/consortium/joint venture agreement must be submitted with the tender document.

#### **6.13 Validity Period**

6.13.1 Any tender submitted shall remain valid, irrevocable and open for written acceptance by the municipality for **a period of 90 days** from the closing date or for such extended period as may be applicable.

6.13.2 The tender amount will not be amended during the aforesaid validity period.

6.13.3 The aforesaid validity period may be extended by the municipality provided that the original validity period has not expired, and that all bidders are given an opportunity to extend such period. Any such extension shall be agreed to by a bidder in writing.

6.13.4 Bidders who fail to respond to such a request before the validity of their tender expires, or who decline such a request shall not be considered further in the evaluation process.

6.13.5 In the event that an appeal in terms of the Systems Act 32 of 2000, is received, the validity period of the tender shall be deemed to be extended until finalisation of the appeal; unless the bidder has requested in writing that its tender be withdrawn. The provisions in respect of withdrawal as set out in clause 6.8 above will apply to such withdrawal.

6.14 Unauthorized alterations and additions in the nature of statement of interpretation of this bid document must be avoided. If any such amendments are made or if the bid document is not properly completed, it will cause the bid to be invalid. Any point of difficulty or doubt must be cleared with the municipality. Should any query be found to be of any significance, the municipality will inform all bidders accordingly.

#### **6.15 Tax clearance**

6.15.1 No award shall be made to a person whose tax matters have not been declared to be in order by the South African Revenue Service (SARS).

6.15.2 Tenderers are therefore required to obtain a valid Tax Clearance Certificate from the local SARS office where such Tenderer is registered for income tax/VAT purposes.

## **(9) GENERAL CONDITIONS OF CONTRACT**

### *General Conditions of Contract*

#### **NOTES:**

The purpose of this document is to:

- (i) Draw special attention to certain general conditions applicable to government Bids, contracts and orders; and
- (ii) To ensure that clients be familiar with regard to the rights and obligations of all parties involved in doing business with government.

In this document words in the singular also mean in the plural and vice versa and words in the masculine also mean in the feminine and neuter.

- The General Conditions of Contract (GCC) will form part of all Bid documents and may not be amended.
- Special Conditions of Contract (SCC) relevant to a specific bid, should be compiled separately for every Bid (if applicable) and will supplement the GCC. Whenever there is a conflict, the provisions in the SCC shall prevail.

## TABLE OF CLAUSES

1. Definitions
2. Application
3. General
4. Standards
5. Use of contract documents and information inspection
6. Patent Rights
7. Performance security
8. Inspections, tests and analyses
9. Packing
10. Delivery and documents
11. Insurance
12. Transportation
13. Incidental Services
14. Spare parts
15. Warranty
16. Payment
17. Prices
18. Variation orders
19. Assignment
20. Subcontracts
21. Delays in the supplier's performance
22. Penalties
23. Termination for default
24. Anti-dumping and countervailing duties and rights
25. Force Majeure
26. Termination for insolvency
27. Settlement of Disputes
28. Limitation of Liability
29. Governing language
30. Applicable law
31. Notices
32. Taxes and duties
33. Transfer of contracts
34. Amendments of contracts
35. Prohibition of restricted practices

## General Conditions of Contract

### 1. Definitions

1. The following terms shall be interpreted as indicated:
  - 1.1 “Closing time” means the date and hour specified in the tender documents for the receipt of Tenders.
  - 1.2 “Contract” means the written agreement entered into between the purchaser and the supplier, as recorded in the contract form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
  - 1.3 “Contract price” means the price payable to the supplier under the contract for the full and proper performance of his contractual obligations.
  - 1.4 “Corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution.
  - 1.5 "Countervailing duties" are imposed in cases where an enterprise abroad is subsidized by its government and encouraged to market its products internationally.
  - 1.6 “Country of origin” means the place where the goods were mined, grown or produced or from which the services are supplied. Goods are produced when, through manufacturing, processing or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
  - 1.7 “Day” means calendar day.
  - 1.8 “Delivery” means delivery in compliance of the conditions of the contract or order.
  - 1.9 “Delivery ex stock” means immediate delivery directly from stock actually on hand.
  - 1.10 “Delivery into consignees store or to his site” means delivered and unloaded in the specified store or depot or on the specified site in compliance with the conditions of the contract or order, the supplier bearing all risks and charges involved until the goods are so delivered and a valid receipt is obtained.
  - 1.11 "Dumping" occurs when a private enterprise abroad market its goods on own initiative in the RSA at lower prices than that of the country of origin and which have the potential to harm the local industries in the RSA.
  - 1.12 "Force majeure" means an event beyond the control of the supplier and not involving the supplier's fault or negligence and not foreseeable. Such events may include, but is not restricted to, acts of the purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
  - 1.13 “Fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of any bidder, and includes collusive practice among Bidders (prior to or after Tender submission) designed to establish Tender prices at artificial non-competitive levels and to deprive the bidder of the benefits of free and open competition.
  - 1.14 “GCC” means the General Conditions of Contract.
  - 1.15 “Goods” means all of the equipment, machinery, and/or other materials that the supplier is required to supply to the purchaser under the contract.

- 1.16 “Imported content” means that portion of the tender price represented by the cost of components, parts or materials which have been or are still to be imported (whether by the supplier or his subcontractors) and which costs are inclusive of the costs abroad, plus freight and other direct importation costs such as landing costs, dock dues, import duty, sales duty or other similar tax or duty at the South African place of entry as well as transportation and handling charges to the factory in the Republic where the goods covered by the Tender will be manufactured.
- 1.17 “Local content” means that portion of the tender price, which is not included in the imported content provided that local manufacture does take place.
- 1.18 “Manufacture” means the production of products in a factory using labour, materials, components and machinery and includes other related value-adding activities.
- 1.19 “Order” means an official written order issued for the supply of goods or works or the rendering of a service.
- 1.20 “Project site,” where applicable, means the place indicated in tender documents.
- 1.21 “Purchaser” means the organization purchasing the goods.
- 1.22 “Republic” means the Republic of South Africa.
- 1.23 “SCC” means the Special Conditions of Contract.
- 1.24 “Services” means those functional services ancillary to the supply of the goods, such as transportation and any other incidental services, such as installation, commissioning, provision of technical assistance, training, catering, gardening, security, maintenance and other such obligations of the supplier covered under the contract.
- 1.25 “Supplier” means the successful bidder who is awarded the contract to maintain and administer the required and specified service(s) to the State.
- 1.26 “Tort” means in breach of contract.
- 1.27 “Turnkey” means a procurement process where one service provider assumes total responsibility for all aspects of the project and delivers the full end product / service required by the contract.
- 1.28 “Written” or “in writing” means hand-written in ink or any form of electronic or mechanical writing.

## **2. Application**

- 2.1 These general conditions are applicable to all Tenders, contracts and orders including Tenders for functional and professional services (excluding professional services related to the building and construction industry), sales, hiring, letting and the granting or acquiring of rights, but excluding immovable property, unless otherwise indicated in the tender documents.
- 2.2 Where applicable, special conditions of contract are also laid down to cover specific goods, services or works.
- 2.3 Where such special conditions of contract are in conflict with these general conditions, the special conditions shall apply.

## **3. General**

- 3.1 Unless otherwise indicated in the tender documents, the purchaser shall not be liable for any expense incurred in the preparation and submission of a Tender. Where applicable a nonrefundable fee for documents may be charged.

3.2 Invitations to Tender are usually published in locally distributed news media and on the Maruleng Municipality website.

#### **4. Standards**

4.1 The goods supplied shall conform to the standards mentioned in the tender documents and specifications.

#### **5. Use of contract documents and information inspection**

5.1 The supplier shall not, without the purchaser's prior written consent, disclose the contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the purchaser in connection therewith, to any person other than a person employed by the supplier in the performance of the contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.

5.2 The supplier shall not, without the purchaser's prior written consent, make use of any document or information mentioned in GCC clause 5.1 except for purposes of performing the contract.

5.3 Any document, other than the contract itself mentioned in GCC clause 5.1 shall remain the property of the purchaser and shall be returned (all copies) to the purchaser on completion of the supplier's performance under the contract if so required by the purchaser.

5.4 The supplier shall permit the purchaser to inspect the supplier's records relating to the performance of the supplier and to have them audited by auditors appointed by the purchaser, if so required by the purchaser.

#### **6. Patent Rights**

6.1 The supplier shall indemnify the purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the goods or any part thereof by the purchaser.

6.2 When a supplier developed documentation / projects for the Maruleng Municipality, the intellectual, copy and patent rights or ownership of such documents or projects will vest in the Maruleng Municipality.

#### **7. Performance security**

7.1 Within thirty (30) days of receipt of the notification of contract award, the successful bidder shall furnish to the purchaser the performance security of the amount specified in SCC.

7.2 The proceeds of the performance security shall be payable to the purchaser as compensation for any loss resulting from the supplier's failure to complete his obligations under the contract.

7.3 The performance security shall be denominated in the currency of the contract or in a freely convertible currency acceptable to the purchaser and shall be in one of the following forms:

- a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the purchaser's country or abroad, acceptable to the purchaser, in the form provided in the tender documents or another form acceptable to the purchaser; or
- b) a cashier's or certified cheque.

- 7.4 The performance security will be discharged by the purchaser and returned to the supplier not later than thirty (30) days following the date of completion of the supplier's performance obligations under the contract, including any warranty obligations, unless otherwise specified.

## **8. Inspections, tests and analyses**

- 8.1 All pre-tender testing will be for the account of the bidder.
- 8.2 If it is a Tender condition that goods to be produced or services to be rendered should at any stage be subject to inspections, tests and analyses, the bidder or contractor's premises shall be open, at all reasonable hours, for inspection by a representative of the purchaser or organization acting on behalf of the purchaser
- 8.3 If there are no inspection requirements indicated in the tender documents and no mention is made in the contract, but during the contract period it is decided that inspections shall be carried out, the purchaser shall itself make the necessary arrangements, including payment arrangements with the testing authority concerned.
- 8.4 If the inspections, tests and analyses referred to in clauses 8.2 and 8.3 show the goods to be in accordance with the contract requirements, the cost of the inspections, tests and analyses shall be defrayed by the purchaser
- 8.5 Where the goods or services referred to in clauses 8.2 and 8.3 do not comply with the contract requirements, irrespective of whether such goods or services are accepted or not, the cost in connection with these inspections, tests or analyses shall be defrayed by the supplier.
- 8.6 Goods and services which are referred to in clauses 8.2 and 8.3 and which do not comply with the contract requirements may be rejected.
- 8.7 Any contract goods may on or after delivery be inspected, tested or analysed and may be rejected if found not to comply with the requirements of the contract. Such rejected goods shall be held at the cost and risk of the supplier who shall, when called upon, remove them immediately at his own cost and forthwith substitute them with goods, which do comply with the requirements of the contract. Failing such removal the rejected goods shall be returned at the suppliers cost and risk. Should the supplier fail to provide the substitute goods forthwith, the purchaser may, without giving the supplier further opportunity to substitute the rejected goods, purchase such goods as may be necessary at the expense of the supplier.
- 8.8 The provisions of clauses 8.4 to 8.7 shall not prejudice the right of the purchaser to cancel the contract on account of a breach of the conditions thereof, or to act in terms of Clause 22 of GCC

## **9. Packing**

- 9.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit, and open storage. Packing, case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.
- 9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the contract, including additional requirements, if any, and in any subsequent instructions ordered by the purchaser.

## **10. Delivery and documents**

- 10.1 Delivery of the goods and arrangements for shipping and clearance obligations shall be made by the supplier in accordance with the terms specified in the contract.



## **11. Insurance**

- 11.1 The goods supplied under the contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified.

## **12. Transportation**

- 12.1 Should a price other than an all-inclusive delivered price be required, this shall be specified.

## **13. Incidental Services**

- 13.1 The supplier may be required to provide any or all of the following services, including additional services, if any:

- (a) performance or supervision of on-site assembly and/or commissioning of the supplied goods;
- (b) furnishing of tools required for assembly and/or maintenance of the supplied goods;
- (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied goods;
- (d) performance or supervision or maintenance and/or repair of the supplied goods, for a period of time agreed by the parties, provided that this service shall not relieve the supplier of any warranty obligations under this contract; and
- (e) Training of the purchaser's personnel, at the supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied goods.

- 13.2 Prices charged by the supplier for incidental services, if not included in the contract price for the goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the supplier for similar services.

## **14. Spare parts**

- 14.1 As specified, the supplier may be required to provide any or all of the following materials, notifications, and information pertaining to spare parts manufactured or distributed by the supplier:

- (a) such spare parts as the purchaser may elect to purchase from the supplier, provided that this election shall not relieve the supplier of any warranty obligations under the contract; and
- (b) in the event of termination of production of the spare parts:
  - (i) advance notification to the purchaser of the pending termination, in sufficient time to permit the purchaser to procure needed requirements; and
  - (ii) Following such termination, furnishing at no cost to the purchaser, the blueprints, drawings, and specifications of the spare parts, if requested.

## **15. Warranty**

- 15.1 The supplier warrants that the goods supplied under the contract are new, unused, of the most recent or current models, and that they incorporate all recent improvements in design and materials unless provided otherwise in the contract. The supplier further warrants that all goods supplied under this contract shall have no defect, arising from design, materials, or workmanship (except when the design and/or material is required by the purchaser's specifications) or from any act or omission of the supplier, that may develop under normal use of the supplied goods in the conditions prevailing in the country of final destination.

- 15.2 This warranty shall remain valid for twelve (12) months after the goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the contract, or for eighteen (18) months after the date of shipment from the port or place of loading in the source country, whichever period concludes earlier, unless specified otherwise.

- 15.3 The purchaser shall promptly notify the supplier in writing of any claims arising under this warranty.
- 15.4 Upon receipt of such notice, the supplier shall, within the period specified and with all reasonable speed, repair or replace the defective goods or parts thereof, without costs to the purchaser.
- 15.5 If the supplier, having been notified, fails to remedy the defect(s) within the period specified, the purchaser may proceed to take such remedial action as may be necessary, at the supplier's risk and expense and without prejudice to any other rights which the purchaser may have against the supplier under the contract.

## **16. Payment**

- 16.1 The method and conditions of payment to be made to the supplier under this contract shall be specified.
- 16.2 The supplier shall furnish the purchaser with an invoice accompanied by a copy of the delivery note and upon fulfilment of other obligations stipulated in the contract.
- 16.3 Payments shall be made promptly by the purchaser, but in no case later than thirty (30) days after submission of an invoice or claim by the supplier.
- 16.4 Payment will be made in Rand unless otherwise stipulated.

## **17. Prices**

- 17.1 Prices charged by the supplier for goods delivered and services performed under the contract shall not vary from the prices quoted by the supplier in his Tender, with the exception of any price adjustments authorized or in the purchaser's request for Tender validity extension, as the case may be.

## **18. Variation orders**

- 18.1 In cases where the estimated value of the envisaged changes in purchase does not vary more than 15% of the total value of the original contract, the contractor may be instructed to deliver the goods or render the services as such. In cases of measurable quantities, the contractor may be approached to reduce the unit price, and such offers may be accepted provided that there is no escalation in price.

## **20. Assignment**

- 20.1 The supplier shall not assign, in whole or in part, its obligations to perform under the contract, except with the purchaser's prior written consent.

## **20. Subcontracts**

- 20.1 The supplier shall notify the purchaser in writing of all subcontracts awarded under these contracts if not already specified in the Tender. Such notification, in the original Tender or later, shall not relieve the supplier from any liability or obligation under the contract.

## **21. Delays in the supplier's performance**

- 21.1 Delivery of the goods and performance of services shall be made by the supplier in accordance with the time schedule prescribed by the purchaser in the contract.
- 21.2 If at any time during performance of the contract, the supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the goods and performance of services, the supplier shall promptly notify the purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the supplier's notice, the purchaser shall evaluate the situation and may at his discretion extend the supplier's time for performance, with

or without the imposition of penalties, in which case the extension shall be ratified by the parties by amendment of contract.

21.3 The right is reserved to procure outside of the contract small quantities or to have minor essential services executed if an emergency arises, the supplier's point of supply is not situated at or near the place where the goods are required, or the supplier's services are not readily available.

21.4 Except as provided under GCC Clause 25, a delay by the supplier in the performance of its delivery obligations shall render the supplier liable to the imposition of penalties, pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 22.2 without the application of penalties.

21.5 Upon any delay beyond the delivery period in the case of a goods contract, the purchaser shall, without cancelling the contract, be entitled to purchase goods of a similar quality and up to the same quantity in substitution of the goods not supplied in conformity with the contract and to return any goods delivered later at the supplier's expense and risk, or to cancel the contract and buy such goods as may be required to complete the contract and without prejudice to his other rights, be entitled to claim damages from the supplier.

## **22. Penalties**

22.1 Subject to GCC Clause 25, if the supplier fails to deliver any or all of the goods or to perform the services within the period(s) specified in the contract, the purchaser shall, without prejudice to its other remedies under the contract, deduct from the contract price, as a penalty, a sum calculated on the delivered price of the delayed goods or unperformed services using the current prime interest rate calculated for each day of the delay until actual delivery or performance. The purchaser may also consider termination of the contract pursuant to GCC Clause 23.

## **23. Termination for default**

23.1 The purchaser, without prejudice to any other remedy for breach of contract, by written notice of default sent to the supplier, may terminate this contract in whole or in part:

- (a) if the supplier fails to deliver any or all of the goods within the period(s) specified in the contract, or within any extension thereof granted by the purchaser pursuant to GCC Clause 21.2;
- (b) if the supplier fails to perform any other obligation(s) under the contract; or
- (c) if the supplier, in the judgement of the purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the contract.

23.2 In the event the purchaser terminates the contract in whole or in part, the purchaser may procure, upon such terms and in such manner, as it deems appropriate, goods, works or services similar to those undelivered, and the supplier shall be liable to the purchaser for any excess costs for such similar goods, works or services. However, the supplier shall continue performance of the contract to the extent not terminated.

## **24. Antidumping and countervailing duties and rights**

24.1 When, after the date of Tender, provisional payments are required, or anti-dumping or countervailing duties are imposed, or the amount of a provisional payment or antidumping or countervailing right is increased in respect of any dumped or subsidized import, the State is not liable for any amount so required or imposed, or for the amount of any such increase. When, after the said date, such a provisional payment is no longer required or any such anti-dumping or countervailing right is abolished, or where the amount of such provisional payment or any such right is reduced, any such favourable difference shall on demand be paid forthwith by the supplier to the purchaser or the purchaser may deduct such amounts from moneys (if any) which may otherwise be due to the supplier in regard to goods or services which he delivered or rendered, or is to deliver or render in terms of the contract or any other contract or any other amount which may be due to him.

## **25. Force Majeure**

- 25.1 Notwithstanding the provisions of GCC Clauses 22 and 23, the supplier shall not be liable for forfeiture of its performance security, damages, or termination for default if and to the extent that his delay in performance or other failure to perform his obligations under the contract is the result of an event of force majeure.
- 25.2 If a force majeure situation arises, the supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the purchaser in writing, the supplier shall continue to perform its obligations under the contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the force majeure event.

## **26. Termination for insolvency**

- 26.1 The purchaser may at any time terminate the contract by giving written notice to the supplier if the supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the supplier, provided that such termination will not prejudice or affect any right of action or remedy, which has accrued or will accrue thereafter to the purchaser.

## **27. Settlement of Disputes**

- 27.1 If any dispute or difference of any kind whatsoever arises between the purchaser and the supplier in connection with or arising out of the contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.
- 27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the purchaser or the supplier may give notice to the other party of his intention to commence with mediation. No mediation in respect of this matter may be commenced unless such notice is given to the other party.

## **28. Limitation of Liability**

- 28.1 Should it not be possible to settle a dispute by means of mediation, it may be settled in a South African court of law.
- 28.2 Notwithstanding any reference to mediation and/or court proceedings herein,
- (a) the parties shall continue to perform their respective obligations under the contract unless they otherwise agree; and
  - (b) the purchaser shall pay the supplier any monies due the supplier for goods delivered and / or services rendered according to the prescripts of the contract.
- 28.3 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 6;
- (a) the supplier shall not be liable to the purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the supplier to pay penalties and/or damages to the purchaser; and
  - (b) the aggregate liability of the supplier to the purchaser, whether under the contract, in tort or otherwise, shall not exceed the total contract price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

## **29. Governing language**

- 29.1 The contract shall be written in English. All correspondence and other documents pertaining to the contract that is exchanged by the parties shall also be written in English.

### **30. Applicable law**

- 30.1 The contract shall be interpreted in accordance with South African laws, unless otherwise specified.

### **31. Notices**

- 31.1 Every written acceptance of a Tender shall be posted to the supplier concerned by registered or certified mail and any other notice to him shall be posted by ordinary mail to the address furnished in his Tender or to the address notified later by him in writing and such posting shall be deemed to be proper service of such notice
- 31.2 The time mentioned in the contract documents for performing any act after such aforesaid notice has been given, shall be reckoned from the date of posting of such notice.

### **32. Taxes and duties**

- 32.1 A foreign supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the purchaser's country.
- 32.2 A local supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted goods to the purchaser.
- 32.3 No contract shall be concluded with any bidder whose tax matters are not in order. Prior to the award of a Tender SARS must have certified that the tax matters of the preferred bidder are in order.
- 32.4 No contract shall be concluded with any bidder whose municipal rates and taxes and municipal services charges are in arrears.

### **33. Transfer of contracts**

- 33.1 The contractor shall not abandon, transfer, cede assign or sublet a contract or part thereof without the written permission of the purchaser

### **34. Amendment of contracts**

- 34.1 No agreement to amend or vary a contract or order or the conditions, stipulations or provisions thereof shall be valid and of any force unless such agreement to amend or vary is entered into in writing and signed by the contracting parties. Any waiver of the requirement that the agreement to amend or vary shall be in writing, shall also be in writing.

### **35. Prohibition of restricted practices**

- 35.1 In terms of section 4 (1) (b) (iii) of the Competition Act No. 89 of 2008, as amended, an agreement between, or concerted practice by, firms, or a decision by an association of firms, is prohibited if it is between parties in a horizontal relationship and if a bidder (s) is / are or a contractor(s) was / were involved in collusive bidding.
- 35.2 If a bidder(s) or contractor(s), based on reasonable grounds or evidence obtained by the purchaser, has / have engaged in the restrictive practice referred to above, the purchaser may refer the matter to the Competition Commission for investigation and possible imposition of administrative penalties as contemplated in section 59 of the Competition Act No. 89 of 2008.
- 35.3 If a bidder(s) or contractor(s) has / have been found guilty by the Competition Commission of the restrictive practice referred to above, the purchaser may, in addition and without prejudice to any other remedy provided for, invalidate the bid(s) for such item(s) offered, and / or terminate the contract in whole or part, and / or restrict the bidder(s) or contractor(s) from conducting business with the public sector for a period not exceeding ten (10) years and / or claim damages from the bidder(s) or contractor(s) concerned.

**(10) PREFERENCE POINTS CLAIM FORM IN TERMS OF THE PREFERENTIAL  
PROCUREMENT REGULATIONS 2017**

This preference form must form part of all bids invited. It contains general information and serves as a claim form for preference points for Broad-Based Black Economic Empowerment (B-BBEE) Status Level of Contribution

**NB: BEFORE COMPLETING THIS FORM, BIDDERS MUST STUDY THE GENERAL CONDITIONS, DEFINITIONS AND DIRECTIVES APPLICABLE IN RESPECT OF B-BBEE, AS PRESCRIBED IN THE PREFERENTIAL PROCUREMENT REGULATIONS, 2017.**

**1. GENERAL CONDITIONS**

1.1 The following preference point systems are applicable to all bids:

- The 80/20 system for requirements with a Rand value of up to R50 000 000 (all applicable taxes included); and
- The 90/10 system for requirements with a Rand value above R50 000 000 (all applicable taxes included).

1.2

- a) The value of this bid is estimated to not exceed R50 000 000 (all applicable taxes included) and therefore the 80/20 preference point system shall be applicable;

1.3 Points for this bid shall be awarded for:

- (a) Price; and
- (b) B-BBEE Status Level of Contributor.

1.4 The maximum points for this bid are allocated as follows:

	<b>POINTS</b>
<b>PRICE</b>	<b>80</b>
<b>B-BBEE STATUS LEVEL OF CONTRIBUTOR</b>	<b>20</b>
<b>Total points for Price and B-BBEE must not exceed</b>	<b>100</b>

1.5 Failure on the part of a bidder to submit a B-BBEE Verification Certificate from a Verification Agency accredited by the South African Accreditation System (SANAS), or a Registered Auditor approved by the Independent Regulatory Board of Auditors (IRBA) or a sworn affidavit confirming annual turnover and level of black ownership in case of an EME and QSE together with the bid, will be interpreted to mean that preference points for B-BBEE status level of contribution are not claimed.

1.6 The purchaser reserves the right to require of a bidder, either before a bid is adjudicated or at any time subsequently, to substantiate any claim in regard to preferences, in any manner required by the purchaser.

**2. DEFINITIONS**

- (a) **“all applicable taxes”** includes value-added tax, pay as you earn, income tax, unemployment insurance fund contributions and skills development levies;
- (b) **“B-BBEE”** means broad-based black economic empowerment as defined in section 1 of the Broad-Based Black Economic Empowerment Act;
- (c) **“B-BBEE status level of contributor”** means the B-BBEE status received by a measured entity based on its overall performance using the relevant scorecard contained in the Codes of Good Practice on

Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act;

- (d) **“bid”** means a written offer in a prescribed or stipulated form in response to an invitation by an organ of state for the provision of services, works or goods, through price quotations, advertised competitive bidding processes or proposals;
- (e) **“Broad-Based Black Economic Empowerment Act”** means the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003) as amended by Act No 46 of 2013;
- (f) **“comparative price”** means the price after the factors of a non-firm price and all unconditional discounts that can be utilized have been taken into consideration;
- (g) **“consortium or joint venture”** means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract;
- (h) **“contract”** means the agreement that results from the acceptance of a bid by an organ of state;
- (i) **“EME”** means an Exempted Micro Enterprise as defines by Codes of Good Practice issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 (Act No. 53 of 2003);
- (j) **“Firm price”** means the price that is only subject to adjustments in accordance with the actual increase or decrease resulting from the change, imposition, or abolition of customs or excise duty and any other duty, levy, or tax, which, in terms of the law or regulation, is binding on the contractor and demonstrably has an influence on the price of any supplies, or the rendering costs of any service, for the execution of the contract;
- (k) **“functionality”** means the measurement according to predetermined norms, as set out in the bid documents, of a service or commodity that is designed to be practical and useful, working or operating, taking into account, among other factors, the quality, reliability, viability and durability of a service and the technical capacity and ability of a bidder;
- (l) **“non-firm prices”** means all prices other than “firm” prices;
- (m) **“person”** includes a juristic person;
- (n) **“QSE”** means a Qualifying Small Enterprise as defines by Codes of Good Practice issued in terms of section 9 (1) of the Broad-Based Black Economic Empowerment Act, 2003 ( Act No. 53 of 2003);
- (o) **“rand value”** means the total estimated value of a contract in South African currency, calculated at the time of bid invitations, and includes all applicable taxes and excise duties;
- (p) **“sub-contract”** means the primary contractor’s assigning, leasing, making out work to, or employing, another person to support such primary contractor in the execution of part of a project in terms of the contract;
- (q) **“total revenue”** bears the same meaning assigned to this expression in the Codes of Good Practice on Black Economic Empowerment, issued in terms of section 9(1) of the Broad-Based Black Economic Empowerment Act and promulgated in the *Government Gazette* on 9 February 2007;
- (r) **“trust”** means the arrangement through which the property of one person is made over or bequeathed to a trustee to administer such property for the benefit of another person; and
- (s) **“Trustee”** means any person, including the founder of a trust, to whom property is bequeathed in order for such property to be administered for the benefit of another person.

### 3. ADJUDICATION USING A POINT SYSTEM

- 3.1 The bidder obtaining the highest number of total points will be awarded the contract.
- 3.2 Preference points shall be calculated after prices have been brought to a comparative basis taking into account all factors of non-firm prices and all unconditional discounts;
- 3.3 Points scored must be rounded off to the nearest 2 decimal places.
- 3.4 In the event that two or more bids have scored equal total points, the successful bid must be the one scoring the highest number of preference points for B-BBEE.
- 3.5 However, when functionality is part of the evaluation process and two or more bids have scored equal points including equal preference points for B-BBEE, the successful bid must be the one scoring the highest score for functionality.
- 3.6 Should two or more bids be equal in all respects, the award shall be decided by the drawing of lots.

### 4. POINTS AWARDED FOR PRICE

#### 4.1 THE 80/20 OR 90/10 PREFERENCE POINT SYSTEMS

A maximum of 80 or 90 points is allocated for price on the following basis:

$$P_s = 80 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right) \quad \text{80/20} \quad \text{or} \quad \text{90/10} \quad P_s = 90 \left( 1 - \frac{P_t - P_{\min}}{P_{\min}} \right)$$

Where

- P<sub>s</sub>** = Points scored for comparative price of bid under consideration  
**P<sub>t</sub>** = Comparative price of bid under consideration  
**P<sub>min</sub>** = Comparative price of lowest acceptable bid

#### 5. POINTS AWARDED FOR B-BBEE STATUS LEVEL OF CONTRIBUTION

- 5.1 In terms of Regulation 5 (2) and 6 (2) of the Preferential Procurement Regulations, preference points must be awarded to a bidder for attaining the B-BBEE status level of contribution in accordance with the table below:

B-BBEE Status Level of Contributor	Number of points (90/10 system)	Number of points (80/20 system)
1	10	20
2	9	18
3	8	16
4	5	12
5	4	8
6	3	6
7	2	4
8	1	2
Non-compliant contributor	0	0

- 5.2 A bidder who qualifies as an EME in terms of the B-BBEE Act must submit a sworn affidavit confirming Annual Total Revenue and Level of Black Ownership.
- 5.3 A Bidder other than EME or QSE must submit their original and valid B-BBEE status level verification certificate or a certified copy thereof, substantiating their B-BBEE rating issued by a Registered Auditor approved by IRBA or a Verification Agency accredited by SANAS.
- 5.4 A trust, consortium or joint venture, will qualify for points for their B-BBEE status level as a legal entity, provided that the entity submits their B-BBEE status level certificate.
- 5.5 A trust, consortium or joint venture will qualify for points for their B-BBEE status level as an unincorporated entity, provided that the entity submits their consolidated B-BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.
- 5.6 Tertiary Institutions and Public Entities will be required to submit their B-BBEE status level certificates in terms of the specialized scorecard contained in the B-BBEE Codes of Good Practice.
- 5.7 A person will not be awarded points for B-BBEE status level if it is indicated in the bid documents that such a bidder intends sub-contracting more than 25% of the value of the contract to any other enterprise that does not qualify for at least the points that such a bidder qualifies for, unless the intended sub-contractor is an EME that has the capability and ability to execute the sub-contract.
- 5.8 A person awarded a contract may not sub-contract more than 25% of the value of the contract to any other enterprise that does not have an equal or higher B-BBEE status level than the person concerned, unless the contract is sub-contracted to an EME that has the capability and ability to execute the sub-contract.



**6. BID DECLARATION**

6.1 Bidders who claim points in respect of B-BBEE Status Level of Contribution must complete the following:

**7. B-BBEE STATUS LEVEL OF CONTRIBUTION CLAIMED IN TERMS OF PARAGRAPHS 1.4 AND 5.1**

7.1 B-BBEE Status Level of Contribution: = (maximum of 10 or 20 points)

(Points claimed in respect of paragraph 7.1 must be in accordance with the table reflected in paragraph 5.1 and must be substantiated by means of a B-BBEE certificate issued by a Verification Agency accredited by SANAS or a Registered Auditor approved by IRBA or a sworn affidavit.

**8. SUB-CONTRACTING**

8.1 Will any portion of the contract be sub-contracted?

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

8.1.1 If yes, indicate:

- i) What percentage of the contract will be subcontracted.....% ii) The name of the sub-contractor..... iii) The B-BBEE status level of the sub-contractor.....
- iv) Whether the sub-contractor is an EME.

*(Tick applicable box)*

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

**9. DECLARATION WITH REGARD TO COMPANY/FIRM**

9.1 Name of company/firm:.....

9.2 VAT registration number:.....

9.3 Company registration number:.....

9.4 TYPE OF COMPANY/ FIRM

- Partnership/Joint Venture / Consortium
- One person business/sole propriety
- Close corporation
- Company
- (Pty) Limited

[TICK APPLICABLE BOX]

9.5	DESCRIBE	PRINCIPAL	BUSINESS	ACTIVITIES
-----	----------	-----------	----------	------------

.....

.....

.....

.....

9.6 COMPANY CLASSIFICATION

- Manufacturer
- Supplier
- Professional service provider
- Other service providers, e.g. transporter, etc.

[TICK APPLICABLE BOX]



9.7 MUNICIPAL INFORMATION

Municipality where business is situated: .....

Registered Account Number: .....

Stand Number:.....

9.8 Total number of years the company/firm has been in business:.....

9.9 I/we, the undersigned, who is / are duly authorised to do so on behalf of the company/firm, certify that the points claimed, based on the B-BBE status level of contribution indicated in paragraph 7 of the foregoing certificate, qualifies the company/ firm for the preference(s) shown and I / we acknowledge that:

i) The information furnished is true and correct; ii) The preference points claimed are in accordance with the General Conditions as indicated in paragraph 1 of this form; iii) In the event of a contract being awarded as a result of points claimed as shown in paragraph 7, the contractor may be required to furnish documentary proof to the satisfaction of the purchaser that the claims are correct;

iv) If the B-BBEE status level of contribution has been claimed or obtained on a fraudulent basis or any of the conditions of contract have not been fulfilled, the purchaser may, in addition to any other remedy it may have –

- (a) disqualify the person from the bidding process;
- (b) recover costs, losses or damages it has incurred or suffered as a result of that person's conduct;
- (c) cancel the contract and claim any damages which it has suffered as a result of having to make less favourable arrangements due to such cancellation;
- (d) restrict the bidder or contractor, its shareholders and directors, or only the shareholders and directors who acted on a fraudulent basis, from obtaining business from any organ of state for a period not exceeding 10 years, after the *audi alteram partem* (hear the other side) rule has been applied; and (e) forward the matter for criminal prosecution.

WITNESSES

1. ....

2. ....

.....  
SIGNATURE(S) OF BIDDERS(S)

DATE: .....

ADDRESS .....



**(11) DECLARATION CERTIFICATE FOR LOCAL PRODUCTION AND CONTENT FOR DESIGNATED SECTORS**

This Municipal Bidding Document (MBD) must form part of all bids invited. It contains general information and serves as a declaration form for local content (local production and local content are used interchangeably).

Before completing this declaration, bidders must study the General Conditions, Definitions, Directives applicable in respect of Local Content as prescribed in the Preferential Procurement Regulations, 2017, the South African Bureau of Standards (SABS) approved technical specification number SATS 1286:2011 (Edition 1) and the Guidance on the Calculation of Local Content together with the Local Content Declaration Templates [Annex C (Local Content Declaration: Summary Schedule), D (Imported Content Declaration: Supporting Schedule to Annex C) and E (Local Content Declaration: Supporting Schedule to Annex C)].

### 1. General Conditions

- 1.1. Preferential Procurement Regulations, 2017 (Regulation 8) make provision for the promotion of local production and content.
- 1.2. Regulation 8.(2) prescribes that in the case of designated sectors, organs of state must advertise such tenders with the specific bidding condition that only locally produced or manufactured goods, with a stipulated minimum threshold for local production and content will be considered.
- 1.3. Where necessary, for tenders referred to in paragraph 1.2 above, a two stage bidding process may be followed, where the first stage involves a minimum threshold for local production and content and the second stage price and B-BBEE.
- 1.4. A person awarded a contract in relation to a designated sector, may not sub-contract in such a manner that the local production and content of the overall value of the contract is reduced to below the stipulated minimum threshold.
- 1.5. The local content (LC) expressed as a percentage of the bid price must be calculated in accordance with the SABS approved technical specification number SATS 1286: 2011 as follows:

$$LC = [1 - x / y] * 100$$

Where x is the imported content in Rand

y is the bid price in Rand excluding value added tax (VAT)

Prices referred to in the determination of x must be converted to Rand (ZAR) by using the exchange rate published by South African Reserve Bank (SARB) at 12:00 on the date of advertisement of the bid as indicated in paragraph 4.1 below.

**The SABS approved technical specification number SATS 1286:2011 is accessible on [http://www.thedti.gov.za/industrial development/ip.jsp](http://www.thedti.gov.za/industrial%20development/ip.jsp) at no cost.**

- 1.6. A bid may be disqualified if this Declaration Certificate and the Annex C (Local Content Declaration: Summary Schedule) are not submitted as part of the bid documentation;
2. **The stipulated minimum threshold(s) for local production and content (refer to Annex A of SATS 1286:2011) for this bid is/are as follows:**

3. Does any portion of the goods or services offered have any imported content?

(Tick applicable box)

YES	<input type="checkbox"/>	NO	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

- 3.1. If yes, the rate(s) of exchange to be used in this bid to calculate the local content as prescribed in paragraph 1.5 of the general conditions must be the rate(s) published by SARB for the specific currency at 12:00 on the date of advertisement of the bid.

The relevant rates of exchange information is accessible on [www.reservebank.co.za](http://www.reservebank.co.za)

Indicate the rate(s) of exchange against the appropriate currency in the table below (refer to Annex A of SATS 1286:2011):

Currency	Rates of exchange
US Dollar	
Pound Sterling	
Euro	
Yen	
Other	

NB: Bidders must submit proof of the SARB rate (s) of exchange used.

3. Where, after the award of a bid, challenges are experienced in meeting the stipulated minimum threshold for local content the dti must be informed accordingly in order for the dti to verify and in consultation with the AO/AA provide directives in this regard.

**LOCAL CONTENT DECLARATION  
(REFER TO ANNEX B OF SATS 1286:2011)**

**LOCAL CONTENT DECLARATION BY CHIEF FINANCIAL OFFICER OR OTHER LEGALLY RESPONSIBLE PERSON NOMINATED IN WRITING BY THE CHIEF EXECUTIVE OR SENIOR MEMBER/PERSON WITH MANAGEMENT RESPONSIBILITY (CLOSE CORPORATION, PARTNERSHIP OR INDIVIDUAL)**

**IN RESPECT OF BID NO.** .....

**ISSUED BY:** (Procurement Authority / Name of Institution):

.....  
NB

- 1 The obligation to complete, duly sign and submit this declaration cannot be transferred to an external authorized representative, auditor or any other third party acting on behalf of the bidder.
- 2 Guidance on the Calculation of Local Content together with Local Content Declaration Templates (Annex C, D and E) is accessible on <http://www.thdti.gov.za/industrialdevelopment/ip.jsp>. Bidders should first complete Declaration D. After completing Declaration D, bidders should complete Declaration E and then consolidate the information on Declaration C. **Declaration C should be submitted with the bid documentation at the closing date and time of the bid in order to substantiate the declaration made in paragraph (c) below.** Declarations D and E should be kept by the bidders for verification purposes for a period of at least 5 years. The successful bidder is required to continuously update Declarations C, D and E with the actual values for the duration of the contract.

I, the undersigned, ..... (full names),  
do hereby declare, in my capacity as .....  
of .....(name of bidder  
entity), the following:

- (a) The facts contained herein are within my own personal knowledge.
- (b) I have satisfied myself that:
  - (i) the goods/services/works to be delivered in terms of the above-specified bid comply with the minimum local content requirements as specified in the bid, and as measured in terms of SATS 1286:2011; and
- (c) The local content percentage (%) indicated below has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E which has been consolidated in Declaration C:

Bid price, excluding VAT (y)	R	
Imported content (x), as calculated in terms of SATS 1286:2011	R	
Stipulated minimum threshold for local content (paragraph 3 above)		

Local content %, as calculated in terms of SATS 1286:2011

---

**If the bid is for more than one product, the local content percentages for each product contained in Declaration C shall be used instead of the table above.**

**The local content percentages for each product has been calculated using the formula given in clause 3 of SATS 1286:2011, the rates of exchange indicated in paragraph 4.1 above and the information contained in Declaration D and E.**

- d) I accept that the Procurement Authority / Institution has the right to request that the local content be verified in terms of the requirements of SATS 1286:2011.
- e) I understand that the awarding of the bid is dependent on the accuracy of the information furnished in this application. I also understand that the submission of incorrect data, or data that are not verifiable as described in SATS 1286:2011, may result in the Procurement Authority / Institution imposing any or all of the remedies as provided for in Regulation 14 of the Preferential Procurement Regulations, 2017 promulgated under the Preferential Policy Framework Act (PPPFA), 2000 (Act No. 5 of 2000).

**SIGNATURE:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 1** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**WITNESS No. 2** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**ANNEXURE C**

Local Content Declaration – Summary Schedule

**Note: VAT to be excluded from all calculations**

(C1) Tender No.				
(C2) Tender Description				
(C3) Designated product(s)				
(C4) Tender Authority				
(C5) Name of Tendering Entity				
(C6) Tender Exchange Rate	Currency		Rate	
(C7) Specified local content %				

**CALCULATION OF LOCAL CONTENT**

Tender item no's	List of items	Tender price - each (excl VAT)	Exempted imported value	Tender value net of exempted imported content	Imported value	Local value	Local content % (per item)
(C8)	(C9)	(C10)	(C11)	(C12)	(C13)	(C14)	(C15)

**TENDER SUMMARY**

Tender Qty	Total tender value	Total exempted imported content	Total Imported content
(C16)	(C17)	(C18)	(C20)

(C20

Total tender value



(C21) Total Exempt imported content

(C22) Total tender value net of exempt imported

(C23) Total content (imported)

(C24) Total local content

(C25) Average content % of tender


\_\_\_\_\_  
SIGNATURE OF TENDER AS PER ANNEX B

\_\_\_\_\_  
DATE



**ANNEXURE D**

Imported Content Declaration – Supporting Schedule to Annexure C

**Note: VAT to be excluded from all calculations**

(D1) Tender No.				
(D2) Tender Description				
(D3) Designated product(s)				
(D4) Tender Authority				
(D5) Name of Tendering Entity				
(D6) Tender Exchange Rate	Currency		Rate	

**A. Exempted imported content**

**Calculation of imported content**

**Summary**

Tender item no's	Description of imported content	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Exchange Rate	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT
(D7)	(D8)	(D9)	(D10)	(D11)	(D12)	(D13)	(D14)	(D15)	(D16)

Tender Qty	Exempted imported value
(D17)	(D18)

(D20) Total exempt imported value

This total must correspond with Annex C - C 21



**B. Imported directly by the Tenderer**

**Calculation of imported content**

Tender item no's	Description of imported content	Unit of measure	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT
(D20)	(D21)	(D22)	(D23)	(D24)	(D25)	(D26)	(D27)	(D28)	(D29)

Summary	
Tender Qty	Total imported value
(D30)	(D31)
(D32)Total imported value by tenderer	

**C. Imported by a 3rd party and supplied to the Tenderer**

**Calculation of imported content**

Description of imported content	Unit of measure	Local supplier	Overseas Supplier	Foreign currency value as per Commercial Invoice	Tender Rate of Exchange	Local value of imports	Freight costs to port of entry	All locally incurred landing costs & duties	Total landed cost excl VAT
(D33)	(D34)	(D35)	(D36)	(D37)	(D38)	(D39)	(D40)	(D41)	(D42)

Summary	
Quantity imported	Total imported value
(D43)	(D44)





# ANNEXURE E

## Local Content Declaration – Supporting Schedule to Annex C

(E1)	Tender	
(E2)	No:	
	Tender description:	
(E3)	Designated products:	
(E4)	Tender Authority:	
(E5)	Tendering Entity name:	

**Note: VAT to be excluded from all calculations**

Local Products (Goods, Services and Works)	Description of items purchased	Local suppliers	Value
	(E6)	(E7)	(E8)





**(12) DECLARATION FOR PROCUREMENT**

The following must be completed where the tender exceeds R10million (VAT included).

1. Are you by law required to prepare annual financial statements for auditing? YES/NO
  - 1.1. If YES, attach audited annual financial statements for the past three years or since the date of establishment, if established during the past three years.
  
2. Do you have any outstanding undisputed commitment for Municipal services towards the Municipality or any other service provider in respect of which payment is overdue for more than 30 days? YES/NO
  - 2.1. If NO, this serves to certify that the Tenderer has no outstanding undisputed commitment for Municipal services towards the Municipality or any other service provider in respect of which payment is overdue for more than 30 days.
  - 2.2. If YES, provide particulars.
   
\_\_\_\_\_
   
\_\_\_\_\_
  
3. Has any contract/tender been awarded to you by an organ of state during the past five years where any material, non-compliance or dispute concerning the execution of such contract/tender occurred? YES/NO
  - 3.1. If YES, furnish particulars.
   
\_\_\_\_\_
   
\_\_\_\_\_
  
4. Will any portion of goods or services be sourced from outside the Republic of South Africa, and if so what portion or is it expected that any portion of payment from the Municipality will be transferred out of the Republic? YES/NO
  - 4.1. If YES, furnish particulars.
   
\_\_\_\_\_
   
\_\_\_\_\_

I the under signed certified that the information provided on this schedule is correct and accept that the Municipality may act against me should this declaration proves to be false.

SIGNATURE..... DATE.....

\_\_\_\_\_  
NAME OF TENDERER



**(13) DECLARATION OF INTEREST- STATE EMPLOYEES**

1. No tender will be accepted from persons in the service of the state□.
2. Any person, having a kinship with persons in the service of the state, including a blood relationship, may make an offer or offers in terms of this invitation to tender. In view of possible allegations of favouritism, should the resulting tender, or part thereof, be awarded to persons connected with or related to persons in service of the state, it is required that the tenderer or their authorised representative declare their position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest.
3. In order to give effect to the above, the following questionnaire must be completed and submitted with the tender.

Full Name: \_\_\_\_\_

Identity Number: \_\_\_\_\_

Company Registration Number: \_\_\_\_\_

Tax Reference Number: \_\_\_\_\_

VAT Registration Number: \_\_\_\_\_

Are you presently in the service of the state: **YES/NO**

If so, furnish particulars.

\_\_\_\_\_

\_\_\_\_\_

Have you been in the service of the state for the past twelve months: **YES/NO**

If so, furnish particulars

\_\_\_\_\_

\_\_\_\_\_

Do you, have any relationship (family, friend, other) with persons in the service of the state and who may be involved with the evaluation and or adjudication of this tender? **YES/NO**

If so, furnish particulars

\_\_\_\_\_

\_\_\_\_\_



Are you, aware of any relationship (family, friend, other) between a tenderer and any persons in the service of the state who may be involved with the evaluation and or adjudication of this tender? **YES/NO**

If so, furnish particulars

---

---

Are any of the company's directors, managers, principle shareholders or stakeholders in service of the state? **YES/NO**

If so, furnish particulars

---

---

Are any spouse, child or parent of the company's directors, managers, principle shareholders or stakeholders in service of the state? **YES/NO**

If so, furnish particulars

---

---

Full details of directors/trustees/members/shareholders

<b>Full Name</b>	<b>Identity Number</b>	<b>State Employee Number</b>





CERTIFICATION

**I, the undersigned (name)**

\_\_\_\_\_

**Certify that the information furnished on this declaration form is correct. I accept that the Municipality may act against me should this declaration prove to be false.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Position

\_\_\_\_\_  
Name of Tenderer



**(14) DECLARATION OF BIDDER'S PAST SUPPLY CHAIN MANAGEMENT PRACTICES**

- 1 This Municipal Bidding Document must form part of all bids invited.
- 2 It serves as a declaration to be used by municipalities and municipal entities in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
- 3 The bid of any bidder may be rejected if that bidder, or any of its directors have:
  - a. abused the municipality's / municipal entity's supply chain management system or committed any improper conduct in relation to such system;
  - b. been convicted for fraud or corruption during the past five years;
  - c. willfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
  - d. been listed in the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004).
- 4 **In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.**

Item	Question	Yes	No
4.1	<p>Is the bidder or any of its directors listed on the National Treasury's Database of Restricted Suppliers as companies or persons prohibited from doing business with the public sector?</p> <p>(Companies or persons who are listed on this Database were informed in writing of this restriction by the Accounting Officer/Authority of the institution that imposed the restriction after the <i>audi alteram partem</i> rule was applied).</p> <p><b>The Database of Restricted Suppliers now resides on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) and can be accessed by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.1.1	If so, furnish particulars:		
4.2	<p>Is the bidder or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)?</p> <p><b>Defaulters can be accessed on the National Treasury's website (<a href="http://www.treasury.gov.za">www.treasury.gov.za</a>) by clicking on its link at the bottom of the home page.</b></p>	Yes <input type="checkbox"/>	No <input type="checkbox"/>



4.2.1	If so, furnish particulars:		
4.3	Was the bidder or any of its directors convicted by a court of law (including a court of law outside the Republic of South Africa) for fraud or corruption during the past five years?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.3.1	If so, furnish particulars:		
<b>Item Question</b>		<b>Yes</b>	<b>No</b>
4.4	Directors owe any municipal rates and taxes or municipal charges to the municipality / municipal entity, or to any other municipality / municipal entity, that is in arrears for more than three months?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.4.1	If so, furnish particulars:		
4.5	Was any contract between the bidder and the municipality / municipal entity or any other organ of state terminated during the past five years on account of failure to perform on or comply with the contract?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4.7.1	If so, furnish particulars:		

### CERTIFICATION

**I, THE UNDERSIGNED (FULL NAME) .....  
CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM TRUE  
AND CORRECT.**

**I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE  
TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.**

.....  
**Signature**

.....  
**Date**

.....  
**Position**

.....  
**Name of Bidder**

**(15) CERTIFICATE OF INDEPENDENT BID DETERMINATION**

- 1 This Municipal Bidding Document (MBD) must form part of all bids<sup>1</sup> invited.
  
- 2 Section 4 (1) (b) (iii) of the Competition Act No. 89 of 2008, as amended, prohibits an agreement between, or concerted practice by, firms, or a decision by an association of firms, if it is between parties in a horizontal relationship and if it involves collusive bidding (or bid rigging).<sup>2</sup> Collusive bidding is a *per se* prohibition meaning that it cannot be justified under any grounds.
  
- 3 Municipal Supply Regulation 38 (1) prescribes that a supply chain management policy must provide measures for the combating of abuse of the supply chain management system, and must enable the accounting officer, among others, to:
  - a. take all reasonable steps to prevent such abuse;
  - b. reject the bid of any bidder if that bidder or any of its directors has abused the supply chain management system of the municipality or municipal entity or has committed any improper conduct in relation to such system; and
  - c. cancel a contract awarded to a person if the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract.
  
- 4 This MBD serves as a certificate of declaration that would be used by institutions to ensure that, when bids are considered, reasonable steps are taken to prevent any form of bid-rigging.
  
- 5 In order to give effect to the above, the attached Certificate of Bid Determination (MBD 9) must be completed and submitted with the bid:

<sup>1</sup> Includes price quotations, advertised competitive bids, limited bids and proposals.

<sup>2</sup> Bid rigging (or collusive bidding) occurs when businesses, that would otherwise be expected to compete, secretly conspire to raise prices or lower the quality of goods and / or services for purchasers who wish to acquire goods and / or services through a bidding process. Bid rigging is, therefore, an agreement between competitors not to compete.

**CERTIFICATE OF INDEPENDENT BID DETERMINATION**

I, the undersigned, in submitting the accompanying bid:

\_\_\_\_\_  
(Bid Number and Description)

in response to the invitation for the bid made by:

\_\_\_\_\_  
(Name of Municipality / Municipal Entity)

do hereby make the following statements that I certify to be true and complete in every respect:

I certify, on behalf of.....that:  
(Name of Bidder)

1. I have read and I understand the contents of this Certificate;
2. I understand that the accompanying bid will be disqualified if this Certificate is found not to be true and complete in every respect;
3. I am authorized by the bidder to sign this Certificate, and to submit the accompanying bid, on behalf of the bidder;
4. Each person whose signature appears on the accompanying bid has been authorized by the bidder to determine the terms of, and to sign, the bid, on behalf of the bidder;
5. For the purposes of this Certificate and the accompanying bid, I understand that the word "competitor" shall include any individual or organization, other than the bidder, whether or not affiliated with the bidder, who:
  - (a) has been requested to submit a bid in response to this bid invitation;
  - (b) could potentially submit a bid in response to this bid invitation, based on their qualifications, abilities or experience; and



- (c) provides the same goods and services as the bidder and/or is in the same line of business as the bidder
6. The bidder has arrived at the accompanying bid independently from, and without consultation, communication, agreement or arrangement with any competitor. However communication between partners in a joint venture or consortium<sup>3</sup> will not be construed as collusive bidding.
7. In particular, without limiting the generality of paragraphs 6 above, there has been no consultation, communication, agreement or arrangement with any competitor regarding:
- (a) prices;
  - (b) geographical area where product or service will be rendered (market allocation)
  - (c) methods, factors or formulas used to calculate prices;
  - (d) the intention or decision to submit or not to submit, a bid;
  - (e) the submission of a bid which does not meet the specifications and conditions of the bid; or
  - (f) bidding with the intention not to win the bid.
8. In addition, there have been no consultations, communications, agreements or arrangements with any competitor regarding the quality, quantity, specifications and conditions or delivery particulars of the products or services to which this bid invitation relates.
9. The terms of the accompanying bid have not been, and will not be, disclosed by the bidder, directly or indirectly, to any competitor, prior to the date and time of the official bid opening or of the awarding of the contract.

<sup>3</sup> Joint venture or Consortium means an association of persons for the purpose of combining their expertise, property, capital, efforts, skill and knowledge in an activity for the execution of a contract



**(17) AUTHORITY TO SIGN BID DOCUMENT RESOLUTION BY DIRECTORS/ MEMBERS:**

**RESOLUTION for completion by Directors (if the Bidder is a (Pty) Ltd or Ltd) or Members (if the T Bidder is a CC)**

NAME OF TENDERER: \_\_\_\_\_

Meeting held at \_\_\_\_\_  
(place)

On \_\_\_\_\_ (date)

RESOLVED THAT:

1. The Bidder submits a tender to the Maruleng Municipality in respect of Bid No: **MLM/SCM/26/2020: FENCING OF SCORTIAGRAVEYARD**

2. Mr/Ms \_\_\_\_\_ in his/her capacity as \_\_\_\_\_ and who will sign as follows:

\_\_\_\_\_  
(SPECIMEN SIGNATURE)

be, and is hereby, authorized to sign the tender and any and all other documents and/or correspondence in connection with and relating to the tender, as well as to sign any contract and or all documentation resulting from the award of the tender.

**Note: The resolution must be signed by all the directors /members of the Tenderer. Should the space provided below not be sufficient for all directors/members to sign, please attach a separate sheet to this schedule in the same format.**

No	Name	Capacity	Signature
1			
2			
3			
4			
5			





**(18) TAX CLEARANCE**



**(19) COMPANY REGISTRATION CERTIFICATE**



**(20) BBBEE STATUS LEVEL VERIFICATION CERTIFICATE**



**(21) PROOF OF RECENT CSD REPORT**



**(22) PROOF OF CIDB REGISTRATION**



**(23) PROOF OF MUNICIPAL RATES AND TAXES (COMPANY & DIRECTORS)**



**BANKING DETAILS FOR MARULENG MUNICIPALITY:**

**BANK NAME : STANDARD BANK**  
**ACCOUNT NO : 033355487**  
**ACCOUNT HOLDER : MARULENG MUNICIPALITY**  
**BRANCH NAME : HOEDSPRUIT**  
**BRANCH CODE : 052752**  
**TYPE : CURRENT**  
**REFERENCE : TENDER (NAME OF YOUR COMPANY)**